

ORIGINAL

JOHNSON UTILITIES, L.

5230 East Shea Boulevard, Suite 200 * Scottsdale, Ariz.
PH: (480) 998-3300; FAX: (480) 483-7908



0000164174

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2015 OCT -8 A 11: 48

October 8, 2015

AZ CORP COMMISSION
DOCKET CONTROL

Mr. Brian K. Bozzo
Arizona Corporation Commission
1200 W. Washington Street
Phoenix, AZ 85007

Arizona Corporation Commission

DOCKETED

OCT 08 2015

DOCKETED BY

RE: Johnson Utilities, LLC; Compliance with Decision No. 71854
RE: Semi-Annual CAGR Fee Report & Proposed Adjuster Fee
Docket Number: WS02987A-08-0180

Dear Mr. Bozzo:

Pursuant to the above mentioned decision, Johnson Utilities hereby submits this compliance filing in accordance with the Commission's order to file a semi-annual status report on the CAGR fees.

Enclosed please find the October 2015 report of CAGR Account Activity attached hereto as Attachment 1. Calculation of the proposed adjuster fee for the Phoenix and Pinal AMA are attached hereto as Attachments 2 and 3 respectively. A redline copy of the proposed tariff filing is attached hereto as Attachment 4.

If you need any additional information in regards to this compliance item, please do not hesitate to contact me. Thank you for your time and consideration in this matter.

Bradley Cole
Chief Operations Officer
Johnson Utilities

cc: Docket Control (Original + 13 copies)

Attachment 1

JOHNSON UTILITIES, LLC
 ARIZONA GROUND REPLENISHMENT DISTRICT FEE
 ACCOUNT ACTIVITY
 Six Months Ended September 30, 2015

CAGRD FEES COLLECTED:

	Phoenix	Pinal	Total
Beginning Balance 3/31/2015	889,947.59	72,074.18	962,021.77
Six Month Collections:			
April, 2015	238,634.53	6,470.48	245,105.01
May, 2015	279,064.17	6,315.78	285,379.95
June, 2015	358,892.20	7,668.04	366,560.24
July, 2015	358,811.31	8,909.80	367,721.11
August, 2015	405,202.09	9,265.48	414,467.57
September, 2015	406,088.46	9,439.16	415,527.62
	<u>2,046,692.76</u>	<u>48,068.74</u>	<u>2,094,761.50</u>
Add; Interest Earned	716.62	29.32	745.94
Less additional amount due to general fund			<u>(232,836.51)</u>
Ending Liability as of September 30, 2015			<u><u>2,824,692.70</u></u>

BANK ACCOUNT RECAP:

Balance per bank statement - 9/30/2015	2,451,186.91
Deposit in transit	<u>373,505.79</u>
Adjusted Balance	<u><u>2,824,692.70</u></u>

Statement of Accounts

Page 1 of 5

This Statement: September 30, 2015

Last Statement: August 31, 2015

Primary Account

0042942

2074-06-0000-NBA-PC0023-00001

JOHNSON UTILITIES LLC
GEORGE H JOHNSON
JANA S JOHNSON
5230 E SHEA BLVD STE 200
SCOTTSDALE AZ 85254-5750

DIRECT INQUIRIES TO:

1 (800) 497-8168
WWW.NBARIZONA.COM
Central
(602) 530-5880
2929 N. Central Avenue Suite 120
Phoenix, AZ 85012-0000

Tired of all the paper? Start receiving your statements electronically and view your account notices online.
Sign up for Online Banking or login today at WWW.NBARIZONA.COM

SUMMARY OF ACCOUNT BALANCE

Account Type	Account Number	Checking/Savings Ending Balance	Outstanding Balances Owed
Business Money Market Premium		\$2,451,186.91	

BUSINESS MONEY MARKET PREMIUM 0566014989

922 1

Previous Balance	Deposits/Credits	Charges/Debits	Checks Processed	Ending Balance
2,036,278.22	414,908.69	0.00	0.00	2,451,186.91

2 DEPOSITS/CREDITS

Date	Amount	Description
09/23	414,467.57	REMOTE DEPOSIT
09/30	441.12	INTEREST PAYMENT

0 CHARGES/DEBITS

There were no transactions this period.

0 CHECKS PROCESSED

There were no transactions this period.

AGGREGATE OVERDRAFT AND RETURNED ITEM FEES

	Total for This Period	Total Year-to-Date
Total Overdraft Fees	\$0.00	\$0.00
Total Returned Item Fees	\$0.00	\$0.00

To learn more about our other products and services that may lower the cost of managing account overdrafts or to discuss removing overdraft coverage from your account, please contact Customer Service or visit your local branch.

DAILY BALANCES

Date	Balance	Date	Balance
09/23	2,450,745.79	09/30	2,451,186.91



MEMBER
FDIC

WWW.NBARIZONA.COM

0042942-0000001-0107861

[illegible]

CHECKBOOK BALANCE	
1. LIST your checkbook balance.	
2. ADD any deposits or other credits listed on the front of this statement which you have not recorded in your checkbook (such as payroll credits or other direct electronic deposits).	
3. SUBTOTAL:	
4. SUBTRACT any charges listed on the front of this statement which you have not recorded (such as service charges, automatic transfers, electronic transactions, etc).	
5. ADJUSTED CHECKBOOK BALANCE:	

STATEMENT BALANCE	
6. LIST your current statement balance as shown on the front of this statement.	
7. ADD deposits made, but not shown on this statement.	
8. SUBTOTAL:	
9. SUBTRACT total from "Checks Outstanding."	
10. ADJUSTED STATEMENT BALANCE:	

0042942-0000001-0107861



NATIONAL BANK OF ARIZONA

PO Box 30709 Salt Lake City, UT 84130-0709

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September 30, 2015
JOHNSON UTILITIES LLC

INTEREST

Interest Earned This Interest Period \$441.12
Interest Paid Year-To-Date 2015 \$2,746.48

Number Of Days This Interest Period 30
Annual Percentage Yield Earned 0.25%

Current interest rate is 0.250% with no rate change this interest period



MEMBER
FDIC

0042942-0000002-0107862



NATIONAL BANK OF ARIZONA

PO Box 30709 Salt Lake City, UT 84130-0709

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National Bank of Arizona

ACCOUNT #

This Statement:
September 30, 2015
Page 5 of 5

Account Name:	Johnnie Wilson
Account Number:	****1999
Deposit Amount:	\$14467.57
Deposit Date/Time:	09/23/15 11:44 PM UTC
Deposit ID:	2827236

Deposit

412210512040565014467

/0041446757/

Processed 09/23/15 \$414467.57

Attachment 2

**JOHNSON UTILITIES, LLC
ADJUSTER FEE CALCULATION
PHOENIX AMA**

Amount to be Recovered (cumulative 2011 - 2014)	14,959,648.42
Total Collections (9/2010 - 12/2014)	<u>11,767,768.98</u>
Over/(under) collected	(3,191,879.44)
 2014 CAGR Invoice	 4,599,237.44
Plus under collections from above	<u>3,191,879.44</u>
 Amount to be recovered	 7,791,116.88
 Total kgal sold in 2014	 2,409,288
 Charge per kgal	 3.23
 * Proposed charge per kgal starting December 1, 2015	 2.57

**The Company proposes spreading the under collected portion over 2 years.*



CAGRD

CENTRAL ARIZONA GROUNDWATER
REPLENISHMENT DISTRICT
A Division of Central Arizona Project

Invoice

CAGRD

JOHNSON UTILITIES LLC
KATHERINE NIERVA
5230 E SHEA BLVD
SUITE 200
SCOTTSDALE, AZ 85254

Invoice 66830
Customer Number 1286
Billing Date 08/12/2015
Due Date 10/15/2015

Remit To:
CENTRAL ARIZONA GROUNDWATER REPLENISHMENT DISTRICT
P.O. BOX 42447
PHOENIX, AZ 85080-2447

Refer questions to Accounts Receivable: 623-869-2149 inquiries@cap-az.com

Description	Quantity	Unit Price	Extended Amount
REPLENISHMENT RESERVE	6896.11 a/f	67.00	462,039.37
INFRASTRUCTURE	6896.11 a/f	353.00	2,434,326.83
ADMIN COMPONENT	6896.11 a/f	45.00	310,324.95
WATER REPLENISHMENT	6896.11 a/f	179.00	1,234,403.69
ANNUAL MEMBERSHIP DUES	4890 ea	32.34	158,142.60

Total Amount Due \$4,599,237.44
Payments and Credits 0.00

Pay This Amount \$4,599,237.44

Late charges may be assessed on payments received after the due date.

Reference

2014 CAGRD MEMBER SERVICE AREA ANNUAL REPLENISHMENT TAX STATEMENT (26-400665)— Note:
Payments not postmarked or received by October 15, 2015 will incur an interest penalty pursuant to ARS 48-3782.A

Attachment 3

JOHNSON UTILITIES, LLC
ADJUSTER FEE CALCULATION
PINAL AMA

Amount to be Recovered (cumulative 2011 - 2014)	611,332.88
Total Collections (9/2010 - 12/2014)	<u>348,714.94</u>
Over/(under) collected	(262,617.94)
2014 CAGR Invoice	321,496.59
Plus under collections from above	<u>262,617.94</u>
Amount to be recovered	584,114.53
Total kgal sold in 2014	332,894
Charge per kgal	1.75
 * Proposed charge per kgal starting December 1, 2015	 1.23

**The Company proposes spreading the under collected portion over 3 years.*



Invoice

CAGRD

JOHNSON UTILITIES LLC
KATHERINE NIERVA
5230 E SHEA BLVD
SUITE 200
SCOTTSDALE, AZ 85254

Invoice 66831
Customer Number 1286
Billing Date 08/12/2015
Due Date 10/15/2015

Remit To:
CENTRAL ARIZONA GROUNDWATER REPLENISHMENT DISTRICT
P.O. BOX 42447
PHOENIX, AZ 85080-2447

Refer questions to Accounts Receivable: 623-869-2149 inquiries@cap-az.com

Description	Quantity	Unit Price	Extended Amount
ANNUAL MEMBERSHIP DUES	1205 ca	32.34	38,969.70
REPLENISHMENT RESERVE	446.33 a/f	75.00	33,474.75
INFRASTRUCTURE	446.33 a/f	353.00	157,554.49
WATER REPLENISHMENT	446.33 a/f	160.00	71,412.80
ADMIN COMPONENT	446.33 a/f	45.00	20,084.85

Total Amount Due \$321,496.59
Payments and Credits 0.00

Pay This Amount \$321,496.59

Late charges may be assessed on payments received after the due date.

Reference

2014 CAGRD MEMBER SERVICE AREA ANNUAL REPLENISHMENT TAX STATEMENT (26-401382.0000)--Note:
Payments not postmarked or received by October 15, 2015 will incur an interest penalty pursuant to ARS 48-3782.A

Attachment 4

PART ONE

STATEMENT OF RATES AND CHARGES—WATER DIVISION

E. Central Arizona Groundwater Replenishment District Adjustor Charge.

1. CAGRD Adjustor Mechanism. In Decision No. 71854 dated August 24, 2010, the Arizona Corporation Commission authorized the Company to implement a Central Arizona Groundwater Replenishment District ("CAGRD") adjustor mechanism to recover the annual tax assessments imposed upon the Company by the CAGRD as a result of the Company's membership in the CAGRD. Accordingly, in addition to all other applicable rates and charges in this tariff, each customer shall pay a monthly CAGRD adjustor charge per thousand gallons of water delivered, as set forth below, effective for all water service rendered in all water service areas for all classes of service on and after June 1, 2010, in accordance with all conditions set forth in Decision No. 71854. The CAGRD adjustor fee shall be calculated as follows: The total CAGRD fees for the most current year in the Phoenix Active Management Area ("Phoenix AMA") shall be divided by the gallons sold in that year to determine a CAGRD fee per 1,000 gallons delivered to customers in the Phoenix AMA. Similarly, the total CAGRD fees for the most current year in the Pinal Active Management Area ("Pinal AMA") shall be divided by the gallons sold in that year to determine a CAGRD fee per 1,000 gallons delivered to customers in the Pinal AMA. By August 25th of each year, the Company shall submit for Commission consideration its proposed CAGRD adjustor fees for the Phoenix AMA and the Pinal AMA, along with the calculations and documentation from the relevant state agencies to support the data used in the calculations. The Commission-approved CAGRD fees shall become effective on October 1 and shall remain in effect until the next CAGRD fee is calculated and approved. To prevent over or under recovery of CAGRD assessments, an annual true-up shall be performed at the time the Company submits its proposed CAGRD adjustor to the Commission. Any over or under recovery of CAGRD fees shall be included in the next year's computation.

2. CAGRD Adjustor Fees. A CAGRD adjustor fee shall be applicable to each thousand gallons of water sold, as follows:

<u>AMA Where Customer Resides:</u>	<u>Rate Per Thousand Gallons of Water Delivered:</u>
Phoenix AMA	\$2.57 (effective 12/1/2015) \$1.61 (effective 12/1/2014)
Pinal AMA	\$1.23 (effective 12/1/2015) \$0.27 (effective 2/1/2015)

Issued: October 23, 2015 ~~24, 2014~~

Effective: December 1, 2015 ~~2014~~

ISSUED BY:

George H. Johnson, Managing Member
Johnson Utilities Company
5320 E. Shea Blvd.
Scottsdale, AZ 85254